

EXECUTIVE DIRECTOR Matthew J. Neubert

SECRETARY Carolyn D. Buck Phone: 602-542-3931 cdbuck@azcc.gov COMMISSIONERS
Chairwoman Lea Márquez Peterson
Sandra D. Kennedy
Justin Olson
Anna Tovar
Jim O'Connor

2nd REVISED NOTICE

OPEN MEETING OF THE ARIZONA CORPORATION COMMISSION

Wednesday, December 15, 2021

9:00 a.m.

Hearing Room One 1200 W. Washington St. Phoenix, AZ 85007

This shall serve as notice of an open meeting at the above location for consideration, discussion, and possible vote of the items on the agenda and other matters related thereto. Commissioners may attend the proceedings in person, or by telephone, video, or internet conferencing, and may use this open meeting to ask questions about the matters on the agenda. The parties to the matters to be discussed or their legal representatives are requested, though not required, to attend telephonically. The Commissioners may move to executive session, which will not be open to the public, for the purpose of legal advice pursuant to A.R.S. § 38-431.03 (A) (3) and (4) on the matters noticed herein.

Because of the guidance issued by state and federal officials regarding the Covid-19 pandemic, only essential Commission staff will attend in person. The public will be able to participate by either watching and listening to the meeting online or listening to the meeting via telephone. For those wishing to enter an appearance or provide public comment for a particular item please use the dial in phone numbers. Once the item for which you are appearing or providing public comment is concluded, please hang up and watch the live stream.

Each party to and stakeholder interested in an Open Meeting agenda item will be permitted to appear by videoconference during the Commission's consideration of the item at Open Meeting. To participate by videoconference for an agenda item, a person must have an ACC Portal Account (create an account for free at https://efiling.azcc.gov/cases) and must, by no later than 8:00 a.m. on the day of Open Meeting, complete the process on the ACC Portal to "Request to Speak at Open Meetings" for the item. A person who has completed the Request to Speak process for an agenda item will, at approximately 8:30 a.m. on Open Meeting day, receive an email with a WebEx link and instructions to participate in the Open Meeting. Parties and stakeholders may also opt to participate via telephone, using the phone number and code to speak shown below.

Persons with a disability may request reasonable accommodations by contacting the Commission Secretary listed above at least 48 hours prior to the scheduled commencement of the Open Meeting.



Agendas are also available online at: <u>azcc.gov/agendas</u>

Dial-in Phone Number: 1-866-705-2554 Passcode to Speak: 241497

1-866-705-2554 Passcode to Listen Only: 2414978

This meeting will be available online at: http://www.azcc.gov/live

NOTE: The Commission may choose to take testimony under oath.

Pledge of Allegiance

Invocation/Reflection

Ceremonial Matters

CHAIRWOMAN'S PROPOSED CONSENT AGENDA

- 1. **Sean Zarinegar** *et al.* (S-21073A-19-0063) Recommended Opinion and Order to Cease and Desist, for Restitution, and Administrative Penalties to Sean Zarinegar a.k.a. Sean Zar a.k.a. Bejahn Zarrinegar, Kori Zarinegar, and Performance Realty Management LLC
- 2. **Luxury Management Group, LLC** *et al.* (S-21099A-20-0057) Recommended Opinion and Order to Cease and Desist, for Restitution, and Administrative Penalties to Luxury Management Group, LLC; MTE 2013 Trust; Michael Barry Eckerman; Tonya Eckerman.
- 3. **My Trader Coin, et al.** (S-21108A-20-0181) Proposed Order to Cease and Desist, for Restitution, for Administrative Penalties and Consent to Same By: Respondent Now Mining, LLC.
- 4. **Business Discount Plan, Inc.** (<u>T-03142A-21-0295</u>) In the Matter of the Application of Business Discount Plan, Inc., for Cancellation of a Certificate of Convenience & Necessity.
- 5. **Mobilitie Management, LLC** (<u>T-20962A-21-0291</u>) In the Matter of the Application of Mobilitie Management, LLC, for Cancellation of a Certificate of Convenience & Necessity.
- 6. **Arizona Corporation Commission (AZ Univ. Svc. Fund 97)** (RT-00000H-97-0137) 2022 Monthly Arizona Universal Service Fund Carrier Surcharges.
- 7. **Cedar Grove Water, Inc.** (<u>W-20541A-17-0112 & W-20541A-18-0161</u>) Grants an Extension of a Compliance Deadline in Decision No. 77368 Pursuant to A.R.S. § 40-252, with Notice and Opportunity to be Heard.
- 8. Global Water Santa Cruz Water Company, Inc. & Global Water Palo Verde Utilities Company, Inc. (W-20446A-21-0199 & SW-20445A-21-0200) In the Matter of the Application



- of Global Water-Santa Cruz Water Company, Inc. and Global Water Palo Verde Utilities Company, Inc. for an Extension of their Existing Certificatse of Convenience and Necessity.
- 9. **Bensch Ranch Utilities, LLC.** (<u>SW-04026A-21-0225</u>) In the Matter of the Application of Bensch Ranch Utilities, LLC for Approval of a Rate Increase.
- 10. **Livco Water Company** (W-02121A-20-0301 and W-02121A-20-0334) Request to Implement a Financing Surcharge.
- 11. **Sahuarita Water Company L.L.C.** (W-03718A-09-0359) CAGRD Annual Adjustor Fee Reset.
- 12. **Graham County Utilities, Inc. and Southwest Gas Corporation** (G-01551A-21-0092 and G-02527A-21-0092) In the Matter of the Joint Application of Graham County Utilities, Inc. and Southwest Gas Corporation for Approval (1) to Transfer Assets of Graham County Utilities, Inc. to Southwest Gas Corporation and (2) to Extend the Certificate of Convenience and Necessity of Southwest Gas Corporation.
- 13. **Graham County Electric Cooperative** and Graham County Utilities, Inc. (<u>E-01749A-21-0258</u> and <u>W-02527A-21-0258</u>) In the Matter of the Joint Application of Graham County Electric Cooperative, Inc. and Graham County Utilities, Inc. for Authorizations Associated with their Merger.
- 14. **Mohave Electric Cooperative, Inc.** (<u>E-01750A-21-0241</u>) In the Matter of the Application of Mohave Electric Cooperative, Inc's. for Approval of its 2022 Renewable Energy and Tariff Plan.
- 15. **Sulphur Springs Valley Electric Cooperative, Inc.** (E-01575A-21-0226) In the Matter of the Application of Sulphur Springs Valley Electric Cooperative, Inc. for Approval of the 2022 and 2023 REST Program Tariff.
- 16. **Trico Electric Cooperative, Inc.** (E-01461A-21-0234) In the Matter of the Application of Trico Electric Cooperative, Inc for Approval of its 2022 Renewable Energy Standard Tariff Implementation Plan.

REGULAR AGENDA

ITEMS 17-31 WILL BE HEARD & DISCUSSED COLLECTIVELY

17. Loma Estates Water Company and Cactus State Utility Operating Company, LLC (<u>WS-21155A-21-0135</u> and <u>W-02245A-21-0135</u>) – In the Matter of the Joint Application of Loma Estates Water Company, LLC, an Arizona Limited Liability Company and Cactus State Utility Operating Company, LLC an Arizona Limited Liability Company for Approval to Transfer Water Utility System Assets and Certificate of Convenience and Necessity Pursuant to A.R.S. § 40-285



and A.A.C. R14-402.D; Establishment of a Deferred Debit for Loma Estates Water Company, LLC Water system.

- 18. **Stoneman Lake Water Company, Inc. and Cactus State Utility Operating Company, LLC** (W-01967A-21-0139 and WS-21155A-21-0139) In the Joint Application of Stoneman Lake Water Company, an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit For Stoneman Lake Water Company Water System Assets.
- 19. Sweetwater Creek Utilities, Inc. and Cactus State Utility Operating Company, LLC (SW-03036A-21-0141 and WS-21155A-21-0141) In the Matter of the Joint Application of Sweetwater Creek Utilities, Inc., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Wastewater Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Sweetwater Creek Utilities, Inc. Wastewater System Assets.
- 20. White Hills Water Co., Inc. and Cactus State Utility Operating Company, LLC (W-01982A-21-0143 and WS-21155A-21-0143) In the Matter of the Application of White Hills Water Company, Inc., an Arizona Water Corporation, and Cactus State Utilities Operating Company, Inc., a Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. § 40-285 and A.A.C. R14-402.D; Establishment of Deferred Debit for White Hills Water Co., Inc. Water Systems Assets.
- 21. **Tonto Village Water Company, Inc. and Cactus State Utility Operating Company, LLC** (W-01580A-21-0150 and WS-21155A-21-0150) In the Matter of the Joint Application of Tonto Village Water Company, Inc., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Tonto Village Water Company, Inc. Water System Assets.
- 22. Lake Verde Water Company, Inc. and Cactus State Utility Operating Company, LLC (W-01557A-21-0161 and WS-21155A-21-0161) In the Matter of the Joint Application of Lake Verde Water Company, Inc., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Lake Verde Water Company, Inc. Water System Assets.



- 23. El Prado Water Company, Inc. and Cactus State Utility Operating Company, LLC (W-02564A-21-0156 and WS-21155A-21-0156) In the Matter of the Joint Application of El Prado Water Company, Inc., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for El Prado Water Company, Inc, Water System Assets.
- 24. **Tierra Mesa Estates Water Co., Inc. and Cactus State Utility Operating Company, LLC** (W-02498A-21-0155 and WS-21155A-21-0155) In the Matter of the Joint Application of Tierra Mesa Estates Water Co., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Tierra Mesa Estates Water Co. Water System Assets.
- 25. Rancheros Bonitos Water Company, L.L.C. and Cactus State Utility Operating Company, LLC (W-03254A-21-0154 and WS-21155A-21-0154) In the Matter of the Joint Application of Rancheros Bonitos Water Co., an Arizona Limited Liability Company, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Q Mountain Water, Inc. Water System Assets.
- 26. **Q Mountain Water, Inc. and Cactus State Utility Operating Company, LLC** (<u>W-02800A-21-0153</u> and <u>WS-21155A-21-0153</u>) In the Joint Application of Q Mountain Water, Inc. an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Q Mountain Water, Inc. Water System Assets.
- 27. Citrus Park Water Co., Inc. and Cactus State Utility Operating Company, LLC (W-03868A-21-0152 and WS-21155A-21-0152) In the Joint Application of Citrus Park Water Co. Inc., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Citrus Park Water Co. Inc. Water System Assets.
- 28. Harrisburg Utility Company, Inc. and Cactus State Utility Operating Company, LLC (W-02169A-21-0151 and WS-21155A-21-0151) In the Matter of the Joint Application of



Harrisburg Utility Company, Inc., an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. §40-285 and A.A.C. R-14-402.D; Establishment of a Deferred Debit for Harrisburg Utility Company, Inc. Water System Assets.

- 29. **Utility Systems, LLC and Cactus State Utility Operating Company, LLC** (<u>W-20459A-21-0149 and WS-21155A-21-0149</u>) In the Matter of the Joint Application of Utility Systems, LLC, an Arizona Corporation, and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. § 40-285 and A.A.C. R-14-602.D; Establishment of a Deferred Debit for Utility Systems, LLC Water System Assets.
- 30. **Forrest G. & Alice W. Wilkerson** dba Verde Lee Water Company, Inc. **and Cactus State Utility Operating Company, LLC** (W-02096A-21-0140 and WS-21155A-21-0140) In the matter of the Joint Application of Forrest G. and Alice W. Wilkerson, DBA Verde Lee Water Company Inc., an Arizona Corporation and Cactus State Utility Operating Company, LLC, an Arizona Limited Liability Company for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S. § 40-285 and A.A.C. R14-402.D; Establishment of Deferred Debit for Forrest G. and Alice W. Wilkerson, DBA Verde Lee Water Company, Inc. Water Systems Assets.
- 31. Gonzalez Utility Services, LLC dba Carter Water Company and dba Loma Linda Water Company, an Arizona Limited Liability Company and Cactus State Utility Operating Company, LLC (W-20940A-21-0137 and WS-21155A-21-0137) In the Matter of the Joint Application of Gonzalez Utility Services, LLC d/b/a Carter Water Company and d/b/a and Loma Linda Water Company, an Arizona Limited Liability Company, and Cactus State Utility Operating Company, LLC an Arizona Limited Liability Company, for Approval to Transfer Water Utility System Assets, and Certificate of Convenience and Necessity, Pursuant to A.R.S 40-285 and A.A.C R14-402.D; Establishment of a Deferred Debit for Gonzalez Utility Services, LLC d/b/a Carter Water Company Water and d/b/a Loma Linda Water Company Water System Assets.

ITEMS 32 AND 41-44 WILL NOT BE HEARD UNTIL THURSDAY, DECEMBER 16, 2021

- 32. **Arizona Public Service Company** (E-01345A-21-0348) In the Matter of Arizona Public Service Company's Application to Include Third-Party Storage Contract in Power Supply Adjustor.
- 33. **Arizona Corporation Commission Energy Rules** (<u>RU-00000A-18-0284</u>) In the Matter of Possible Modifications to the Arizona Corporation Commission's Energy Rules.



- 34. **Arizona Corporation Commission Resource Planning** (E-00000V-19-0034) In the Matter of Resource Planning and Procurement in 2019, 2020, and 2021.
- 35. **Arizona Corporation Commission Electric Vehicles** (E-00000A-21-0104) Comprehensive Transportation Electrification Plan for Arizona.
- 36. **Arizona Corporation Commission Water Policies** (<u>W-00000C-16-0151</u>) Updates to the Short Form Rate Application.
- 37. **Arizona Corporation Commission** (<u>AU-00000A-19-0080</u>) Proposed Order in the Matter of a Docket Evaluating Commission Policy on Post-Test Year Plant.
- 38. **Arizona Corporation Commission** (ACC-00000A-10-0466) Policy Statement and Order in the Matter of the Commission's General Rate Case Processes and Practices.
- 39. **Arizona Corporation Commission** (<u>RU-00000A-21-0373</u>) In the Matter of the Commission's Inquiry into Developing Rules Prohibiting Public Service Corporations from Developing and Enforcing Mandatory COVID-19 Vaccine Policies. Commission Discussion, Consideration, and Possible Vote to Make and Enforce any Rule, Regulation, or Order for the Convenience, Comfort and Safety, and Preservation of Health of the Employees of Public Service Corporations and Establish a Policy or Initiate a Rulemaking Proceeding to Prohibit Public Service Corporations from Developing and Enforcing any Mandatory COVID-19 Vaccine Policies or Otherwise Compelling Public Service Corporation Employees to be Vaccinated as a Condition of Employment, as Proposed by Commissioner Justin Olson and Jim O'Connor on November 18, 2021. Opportunity to Hear from Arizona's Largest Class A Utilities Regarding the Questions Posed in Commissioner O'Connor's Letter filed on December 2, 2021.
- 40. Arizona Corporation Commission Federal Programs & Legislation. Commission Discussion, Consideration, and Possible Vote Regarding the Planning and Scheduling of a Potential Date to Hold and Potential Speakers to Present at one or more Workshops Regarding the Costs and Benefits to Arizona Customers and Public Service Corporations of Pending and Passed Federal Programs, Including but not Limited to the March 2020 Coronavirus Aid, Relief, and Economic Security Act (CARES Act), December 2020 COVID-19 Economic Relief Bill, and March 2021 American Rescue Plan Act, and November 2021 U.S. Infrastructure Investment and Jobs Act. Commission Discussion Regarding the Resources and Financial Assistance Available to Arizona Utilities and Customers and How to Obtain Such Resources and Assistance.
- 41. **Arizona Public Service Company** (E-01345A-19-0236) In the matter of the application of Arizona Public Service Company for a hearing to determine the fair value of the utility property of the company for ratemaking purposes, to fix a just and reasonable rate of return thereon, to approve rate schedules designed to develop such return. Commission Discussion, Consideration, and Possible Vote regarding the December 7, 2021 letter, from Arizona Public Service regarding the implementation of the 4:00 p.m. to 7:00 p.m. on-peak period for residential time of use as required in Decision No. 78317. (ITEM ADDED)



- 42. Salt River Project Agricultural Improvement and Power District. (L-02217B-21-0322-00195) In the matter of the application of Salt River Project Agricultural Improvement and Power District, in conformance with the requirements of Arizona Revised Statues, Sections 40-360, et seq., for a Certificate of Environmental Compatibility authorizing the construction of an overhead double-circuit 230KV transmission line from the existing Henshaw Substation to Intel's Ocotillo Campus, a new RS-28 Substation to be constructed on Intel's Ocotillo Campus, and an overhead transition corridor at the existing Schrader Substation, all within the City of Chandler, Maricopa County, Arizona.
- 43. **Storey Energy Center, LLC.** (<u>L-21162A-21-0302-00194</u>) In the Matter of the Application of Storey Energy Center, LLC, in Conformance with the Requirements of A.R.S. § 40-360 et. seq., for a Certificate of Environmental Compatibility Authorizing the Storey Solar Project Generation Tie Line.
- 44. Chevelon Butte RE, LLC (<u>L-21080A-19-0171-00182</u>) Application to Amend Certificate of Environmental Compatibility Authorizing the Chevelon Butte Wind Gen-Tie Project, which Includes the Construction of a New 345 kV Transmission line and Associated Interconnection Facilities Originating in Coconino County and Interconnecting with the APS Preacher Canyon-Cholla 345 kV Line in Navajo County, Arizona, Pursuant to A.R.S. §40-252, with Notice and Opportunity to be Heard.
- 45. **Tucson Electric Power Company** ("TEP"): Discussion, consideration and vote regarding the settlement of Federal Energy Regulatory Commission Docket Nos. ER19-2023-001 and ER2019-001 as Necessary to protect the Public Interest and Arizona Ratepayers with Regard to TEP's Request for Recovery of Abandoned Plant Costs and TEP's proposed revisions to its Open Access Transmission Tariff ("OATT") including the establishment of a formula rate template and implementation protocols ("Formula Rate") to recover the cost of TEP's investment in transmission facilities in the future. The Commission may go into Executive Session for discussion and consultation with its attorneys in this matter pursuant to A.R.S. § 38-431.03, which will not be open to the public. (**ITEM ADDED**)
- 46. **Arizona Corporation Commission** Commission discussion, consideration and possible vote concerning filing a complaint in Superior Court to enforce subpoenas to Lenard Toye and Wenima Development, L.L.C. The Commission may vote to go into executive session for discussion and consultation with its attorneys in these matters pursuant to A.R.S. Section 38-431.03(A) (3) and (4), which will not be open to the public. (**ITEM ADDED**)
- 47. **Arizona Corporation Commission** Commission Discussion, Consideration, and Recap of Items or Requests to be Included on the Next Regular Open Meeting Agenda; Opportunity for Commissioners to Request Specific Items be Included on the Next Regular Open Meeting Agenda.